IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

DIAHANN GRASTY,	**:**	**CIVIL ACTION**
Plaintiff	**:**	
	:	
v.	**:**	**NO. 03-6839**
	:	
UNITED STATES PATENT &	**:**	
TRADEMARKS, et al.,	**:**	
Defendants	**:**	

M E M O R A N D U M

STENGEL, J. **May 12, 2005**

This is a case brought by Diahann Grasty, *pro se*, against the United States Patent & Trademark Office (the "Office"), its Commissioner Nicholas Godici, and one of its Petitions Attorneys, Charles Steven Brantley. Miss Grasty claims that the Defendants have failed "to provide service" in connection with an application for a patent she filed. As relief, she seeks fees owed in the amount of $262.00, and punitive and monetary damages in the amount of $1 billion. Defendants have filed a Motion to Dismiss or for Summary Judgment, to which Miss Grasty has responded. For the following reasons, I will grant Defendants' motion in its entirety.

BACKGROUND

The following facts are gleaned from the record and are presented in the light most favorable to Miss Grasty. On January 24, 2002, Miss Grasty filed a patent application with the Office on her own behalf and that of eight co-inventors. The application failed to include the required filing fee, and the required inventor declaration was incomplete and lacked the necessary signature of one co-inventor named Nikken Shonin of Miya City, Japan. *See* 37 C.F.R. §§ 1.63, 1.64. Both the application fee and the declaration are statutory requirements. *See* 35 U.S.C. § 111(a)(3).

On March 7, 2002, the Office sent Miss Grasty a Notice to File Missing Parts of Nonprovisional Application, which notified her of the deficiencies in the application, set a two-month deadline for her to respond and correct the deficiencies, and assessed surcharges necessary to avoid abandonment.[1] *See* Def. Ex. C. Miss Grasty replied to the Notice on May 9, 2002. *See* Def. Ex. D. However, the new declaration she submitted also had several defects, including the deletion of Mr. Shonin's name and the alteration of the names of two other co-inventors.[2] Id.

On May 29, 2002, the Office sent Miss Grasty a Notice of Incomplete Reply (Nonprovisional), which acknowledged her reply and noted that the declaration still lacked Mr. Shonin's signature and the surcharge for the "late filing fee or oath or declaration." *See* Def Ex. E. Miss Grasty did not meet the June 7, 2002 deadline to correct these deficiencies.[3] Thus, because Miss Grasty did not file a "complete and proper reply" to the Notice, the patent application became abandoned at midnight on June 7, 2002. *See* Def. Ex. F. Miss Grasty was sent a Notice of Abandonment on January 8, 2003 which outlined the deficiencies in her reply and the proper manner in which to correct those deficiencies. Id.

Nevertheless, under certain circumstances, abandoned applications may be revived,

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[1]Under 37 C.F.R. § 1.53 (f)(1), if an application is missing the declaration or filing fee, and the applicant provided a correspondence address, the applicant will be notified and given a period of time within which to pay the filing fee, file the oath or declaration and pay the surcharge required by § 1.16(e) to avoid abandonment.

[2]Under 37 C.F.R. §§ 1.48 (a) and 1.63, because the declaration must identify each inventor by full name, the deletion or alteration of the names of inventors identified in the application is not permitted, unless inventorship is corrected.

[3]Under 37 C.F.R. § 1.135 (a), if an applicant of a patent application fails to reply within the time period provided, the application will become abandoned unless an Office action indicates otherwise. Moreover, 37 C.F.R. § 1.135 (b) provides that prosecution of an application to save it from abandonment pursuant to paragraph (a) of this section must include such complete and proper reply as the condition of the application may require.

returning them to pending status so that they will be further examined to determine patentability.[4] *See* 37 C.F.R. § 1.137. On February 20, 2003, Miss Grasty sent a letter petition to the Office in an effort to revive the abandoned application. However, in correspondence dated May 16, 2003, the Office dismissed her petition because of various deficiencies, stressed that the decision was not a final agency action within the meaning of 5 U.S.C. § 704,[5] and recommended several steps that she could take to ensure that the merits of her petition would be fully considered. *See* Def. Ex. H. These deficiencies included her failure to sign the petition, Mr. Shonin's missing signature, and name changes of other co-inventors. Id.

On July 11, 2003, Miss Grasty made another unsuccessful attempt at reviving the application, and submitted powers of attorney from her co-inventors giving her broad powers to handle the patent application; some of these powers were witnessed, others were not. Id. The Office also dismissed this petition, citing various deficiencies and recommending steps to correct the deficiencies. *See* Def. Ex. I. The deficiencies were: 1) Miss Grasty did not sign the petition; 2) the name and signature of one of the co-inventors was marked over and deleted; and 3) a formal amendment was not filed to make the requested changes in the specifications or drawings. For Miss Grasty's convenience, the Office returned a copy of the single petition page for Miss Grasty to sign and return to the Office. It also notified Miss Grasty that any changes to the specifications would not be considered unless a formal amendment were filed. Id.

On September 17, 2003, Miss Grasty submitted her signature as required in an attempt to

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[4]Among other requirements, a petition to revive an abandoned application must include the reply required to the outstanding Office action or notice, unless previously filed. 37 C.F.R. §§ 1.137 (a)(1) and § 1.137 (b)(1).

[5]An agency action made reviewable by statute and a final agency action for which there is no other adequate remedy in a court are subject to judicial review. 5 U.S.C. § 704.

revive the abandoned patent application. *See* Def. Ex. A. This petition was also dismissed by the Office on October 27, 2003. The Notice of Dismissal recounted the application's procedural history, outlined the deficiencies of the petition, again suggested what needed to accompany a "grantable petition," and listed Miss Grasty's options in proceeding with her patent application. Id. Specifically, the listed deficiencies were that Miss Grasty had not met the regulatory standard for revival under which she chose to petition, i.e., an explanation why her delay in properly responding to the Notice to File Missing Parts was "unavoidable;" and that she had not alleged any basis for her failure to satisfy the declaration and other requirements in the application. Id.

On December 1, 2003, the Office issued a corrected decision to clarify the record following a telephone conversation between Miss Grasty and Defendant Brantley, one of the Office's Petitions Attorneys. *See* Def. Ex. J. This corrected decision still resulted in a dismissal of the petition, emphasizing that the decision was not final agency action with the meaning of 5 U.S.C. § 704. Id.

On December 22, 2003, Miss Grasty initiated this action by filing a motion to proceed *in forma pauperis* which was granted within a couple of weeks. A Complaint was filed that same day which, liberally construed, recounted the continued difficulty Miss Grasty had in processing her patent application. Miss Grasty alleges that the "main purpose of this corrected decision was to refuse the revival of the above-mentioned application and falsify information regarding the information requested and received by the United States Patent and Trademark Office." Miss Grasty also attempts to clarify some of her responses to the Office's Notices. The Complaint further indicates that the "plaintiff feels as though she has been discriminated against and seeks relief under the Civil Rights code." *See* Paragraph 9. Finally, Miss Grasty contends that an

agreement she has with a manufacturing company cannot be processed further due to the delay in processing the patent application. She "demands judgment against the Defendant for fees owed in the amount of $262.00 and 1,000000000.00 Billion in punitive and monetary damages."

Defendants filed a motion to dismiss or for summary judgment arguing that this court does not have subject matter jurisdiction, and that Miss Grasty failed to state a claim upon which relief can be granted.

DISCUSSION

Rule 12 (b)(1) of the Federal Rules of Civil Procedure authorizes a federal court to dismiss a Complaint for "lack of jurisdiction over the subject matter." Unlike other defenses set forth in Rule 12, a party cannot waive lack of subject matter jurisdiction. Rather, a party or the court can raise this defense at anytime. Fed.R.Civ.P. 12 (h)(3). Upon reviewing a motion to dismiss for lack of subject matter jurisdiction, courts apply a different standard than when reviewing a motion to dismiss for failure to state a claim. Because at issue in a Rule12 (b)(1) motion is the trial court's jurisdiction, i.e., its very power to hear the case, there is substantial authority that the trial court is free to weigh the evidence and satisfy itself as to the existence of its power to hear the case. Mortensen v. First Fed. Savings and Loan Assn, 549 F.2d 884, 891 (3d Cir. 1977). In short, no presumptive truthfulness attaches to plaintiff's allegations, and the existence of disputed material facts will not preclude the trial court from evaluating for itself the merits of jurisdictional claims. Moreover, the plaintiff will have the burden of proof that jurisdiction does in fact exist. Id.

A party adversely affected or aggrieved by agency action can obtain judicial review thereof, so long as the decision challenged represents final agency action for which there is no

other adequate remedy in a court. *See* 5 U.S.C. § 702; *see also* Lujan, Secretary of the Interior, et al. v. National Wildlife Federation, et al., 497 U.S. 871, 882 (1990). The Administrative Procedure Act (the "Act") governs decision-making by federal agencies and specifically limits judicial review of agency actions to review of final agency actions. 5 U.S.C. §§ 701-706. The Act provides, in pertinent part, that:

> An agency action made reviewable by statute and a *final* agency action for which there is no other adequate remedy in a court are subject to judicial review. A preliminary, procedural, or intermediate agency action or ruling not directly reviewable is subject to review on the review of the final agency action.

Title 5 U.S.C. § 704 (emphasis added). The rationale of the final agency action principle is clear. Judicial review prior to a final determination by an agency could interfere with the proper functioning of an agency and create a burden for the courts. Federal Trade Commission v. Standard Oil Co., 449 U.S. 232, 242 (1980). Moreover, judicial intervention into the agency process denies the agency an opportunity to correct its own mistakes and to apply its expertise, and leads to piecemeal review which at least is inefficient and might prove to have been unnecessary. Id. (citing Weinberger v. Salfi, 422 U.S. 749, 765 (1975); and McGee v. United States, 402 U.S. 479, 484 (1971)).

To determine whether an agency's action is final for purposes of the Act, "the core question is whether the agency has completed its decision-making process, and whether the result of that process is one that will directly affect the parties." Franklin v. Massachusetts, 505 U.S. 788, 797 (1992); Aerosource, Inc. v. Slater, 142 F.3d 572, 578-579 (3d Cir. 1998). The Third Circuit has held that the finality of agency action is determined by its consequences or its practical effects. Hindes v. F.D.I.C., 137 F.3d 148, 161-162 (3d Cir. 1998) (citing Shea v. Office

of Thrift Supervision, 934 F.2d 41, 44 (3d Cir.1991)). The action must be a definitive statement of the agency's position with concrete legal consequences. Federal Trade Commission v. Standard Oil Co., 449 U.S. at 241-243.

In this case, it is clear that there has been no final agency action. Miss Grasty's petitions to revive the abandoned patent application were dismissed by the Office, rather than denied. Each dismissal was accompanied by an outline of the deficiencies in her reply with an explanation of the proper method of correcting each deficiency in order to assist her in preparing a grantable petition. The dismissals also enumerated several steps which Miss Grasty should have taken to ensure that the merits of her petition would be fully considered in the future. Nevertheless, every attempt at reviving the application was unsuccessful due to Miss Grasty's failure to follow those instructions. *See* 37 C.F.R. §§ 1.137 (a)(1) and § 1.137 (b)(1) (a petition to revive an abandoned application must include the reply required to the outstanding Office action or notice). That Miss Grasty continued to avail herself of the opportunities to attempt to correct the deficiencies of her petitions reveals that it was also her understanding that the Office's decision was not final agency action. Even now, Miss Grasty has the opportunity to revive her patent application.

Further, each notice of dismissal stressed that it was not final agency action within the meaning of the Act. There are no concrete legal consequences to Miss Grasty as a result of the dismissal of her petition to revive her application because she still may seek to revive that application. Thus, because the dismissal of Miss Grasty's petition does not constitute the Office's definitive statement or represent final agency action for purposes of the Act, this court

lacks subject matter jurisdiction. I will grant Defendants' Motion to Dismiss Miss Grasty's Complaint in its entirety.

The lack of subject matter jurisdiction is reason enough to dismiss this case. However, in the interest of fully addressing all issues involved in this Motion to Dismiss, the court notes that there are additional reasons to dismiss the Complaint.

Miss Grasty's Complaint must also be dismissed for failure to state a claim upon which relief can be granted pursuant to Federal Rules of Civil Procedure Rule 12(b)(6). In considering a Rule 12(b)(6) motion, the Court may dismiss a Complaint if it appears certain the plaintiff cannot prove any set of facts in support of her claims which would entitle her to relief. Ransom v. Marrazzo, 848 F.2d 398, 401 (3d Cir. 1988). While all well-pled allegations are accepted as true and reasonable inferences are drawn in the plaintiff's favor, the court may dismiss a Complaint where, under any set of facts which could be shown to be consistent with a Complaint, the plaintiff is not entitled to relief. Schrob v. Catterson, 948 F.2d 1402, 1405 (3d Cir. 1991).

Pro se Complaints are held to less stringent standards than formal pleadings drafted by lawyers and can only be dismissed for failure to state a claim if it appears beyond doubt that the plaintiff can prove no set of facts in support of her claim which would entitle her to relief. Estelle v. Gamble, 429 U.S. 97, 106 (1976)(quoting Conley v. Gibson, 355 U.S. 41, 45-46 (1957)). However, in deciding a motion to dismiss, a court need not credit a Complaint's bald assertions or legal conclusions. In re Burlington Coat Factory Securities Litigation, 114 F.3d 1410, 1429-1430 (3d Cir. 1997). As the Third Circuit Court of Appeals has recently explained:

> Liberal construction has its limits, for the pleading must at least set forth sufficient information for the court to determine whether some recognized legal theory exists on which relief could be accorded the pleader. . . Conclusory allegations or legal conclusions masquerading as factual conclusions will not suffice to prevent a motion to dismiss. While facts must be accepted as alleged, this does not automatically extend to bald assertions, subjective characterizations, or legal conclusions.

General Motors Corp. v. New A.C. Chevrolet, Inc., 263 F.3d 296, 333 (3d Cir. 2001).

In her Complaint, Miss Grasty makes the bald assertion that she has been discriminated against and seeks relief under the Civil Rights code. It is unclear from the Complaint under what basis of discrimination she is proceeding. This claim could be liberally construed to argue that the Office violated her right to equal protection under the law for which she seeks compensatory and punitive damages of one billion dollars. However, this claim is barred. In FDIC v. Meyer, the Supreme Court held that plaintiffs cannot seek damages from agencies of the federal government for alleged constitutional violations. FDIC v. Meyer, 510 U.S. 471, 486 (1994) (claims against United States agencies that seek monetary damages for constitutional violations must be dismissed for lack of subject matter jurisdiction). Thus, Miss Grasty's claim against the Office, a United States agency, must be dismissed.

Moreover, any claim Miss Grasty brought against Commissioner Godici and Petitions Attorney Brantley must also fail. Under the doctrine of judicial immunity, judges are entitled to absolute immunity for actions taken in their judicial capacity. *See* Forrester v. White, 484 U.S. 219 (1988). Courts have extended this same absolute immunity under the doctrine of "quasi-judicial" immunity to public officials who, while not judges, are performing tasks similar to those performed by judges. *See* Antoine v. Byers & Anderson, 508 U.S. 429, 435-436 (1993); Hughes v. Long, 242 F.3d 121 (3d Cir. 2001).

Commissioner Godici was appointed Commissioner of the Office pursuant to 35 U.S.C. § 3(b)(2)(A). "That it was intended that the Commissioner of Patents, in issuing or withholding patents, in reissues, interferences, and extensions, should exercise quasi-judicial functions, is apparent from the nature of the examinations and decisions he is required to make, and the modes provided by law, according to which, exclusively, they may be reviewed." Butterworth v. United States ex rel Hoe, 112 U.S. 50, 67 (1884). As a government official exercising quasi-judicial functions, Commissioner Godici is entitled to quasi-judicial immunity and is absolutely immune from a claim for damages arising from an alleged constitutional violation.

For similar reasons, Petitions Attorney Brantley is also entitled to absolute immunity. In the context of Miss Grasty's allegations, Attorney Brantley was performing the quasi-judicial functions as delegated to him by the Director pursuant to statute and regulation. *See* 35 U.S.C. § 3(b)(3)(the Director shall appoint such officers and employees (including attorneys) and agents of the Office as the Director considers necessary to carry out the functions of the Office and delegate to them such of the powers vested in the Office as the Director may determine); *see also* 37 C.F.R. § 1.181(g) (Director may delegate to appropriate Patent and Trademark Office officials the determination of petitions).

After a careful review of the pleadings, it appears beyond doubt that Miss Grasty can prove no set of facts in support of her claim which would entitle her to relief. Thus, I will grant the Defendants' motion to dismiss in its entirety.

An appropriate Order follows.

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DIAHANN GRASTY,	**:**	**CIVIL ACTION**
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	:	
v.	**:**	**NO. 03-6839**
	:	
UNITED STATES PATENT &	**:**	
TRADEMARKS, et al.,	**:**	
Defendants	**:**	

O R D E R

STENGEL, J.

AND NOW, this 12th day of May, 2005, upon consideration of Defendants' motion to dismiss (Document #15), Plaintiff's response thereto (Document #21), and Defendants' sur-reply (Document #24), it is hereby ORDERED that the motion is GRANTED in its entirety. The Clerk of Court shall mark this case closed for all purposes.

BY THE COURT:

/s/ Lawrence F. Stengel

LAWRENCE F. STENGEL, J.

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O R D E R

STENGEL, J.

AND NOW, this 12th day of May, 2005, upon consideration of Plaintiff's Motion for Sanctions, and in accordance with my Memorandum and Order dismissing Plaintiff's Complaint for lack of subject matter jurisdiction, it is hereby ORDERED that the motion is DENIED as moot.

BY THE COURT:

/s/ Lawrence F. Stengel

LAWRENCE F. STENGEL, J.